

WORKFORCE SAFETY & INSURANCE
INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2004

	July-04				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Month	Net ROR	FYTD	FY04	Ended	Ended
		Actual	Policy		Net	Net	6/30/2004	6/30/2004
							Net	Net
LARGE CAP DOMESTIC EQUITY								
<i>Structured Growth</i>								
Los Angeles Capital	16,731,179	1.6%	1.6%	-5.03%	-5.03%	N/A	N/A	N/A
Total Structured Growth	16,731,179	1.6%	1.6%	-5.03%	-5.03%	17.58%	-6.28%	-7.85%
Russell 1000 Growth				-5.65%	-5.65%	17.88%	-3.74%	-6.48%
<i>Structured Value</i>								
LSV	17,613,962	1.6%	1.6%	-1.21%	-1.21%	30.56%	9.33%	8.36%
Russell 1000 Value				-1.41%	-1.41%	21.13%	2.96%	1.87%
<i>Russell 1000 Enhanced Index</i>								
LA Capital	35,292,018	3.3%	3.2%	-3.56%	-3.56%	N/A	N/A	N/A
Russell 1000				-3.51%	-3.51%	N/A	N/A	N/A
<i>S&P 500 Enhanced Index</i>								
Westridge	34,431,545	3.2%	3.2%	-3.30%	-3.30%	N/A	N/A	N/A
S&P 500				-3.31%	-3.31%	N/A	N/A	N/A
<i>Index</i>								
State Street	10,366,874			-3.32%	-3.32%	19.01%	-0.75%	-2.28%
Total Index	10,366,874	1.0%	1.1%	-3.32%	-3.32%	19.01%	-0.75%	-2.28%
S&P 500				-3.31%	-3.31%	19.11%	-0.70%	-2.21%
TOTAL LARGE CAP DOMESTIC EQUITY	114,435,577	10.7%	10.7%	-3.33%	-3.33%	21.46%	0.15%	-1.39%
S&P 500				-3.31%	-3.31%	19.11%	-0.70%	-2.21%
SMALL CAP DOMESTIC EQUITY								
<i>Manager-of-Managers</i>								
SEI	54,026,190	5.0%	5.3%	-7.28%	-7.28%	32.99%	5.51%	N/A
Russell 2000 + 200bp				-6.57%	-6.57%	35.99%	7.90%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	54,026,190	5.0%	5.3%	-7.28%	-7.28%	32.99%	5.54%	7.29%
Russell 2000				-6.73%	-6.73%	33.36%	6.24%	6.63%
CONVERTIBLES								
TCW	61,997,885	5.8%	6.0%	-5.05%	-5.05%	17.50%	1.03%	3.90%
First Boston Convertible Index				-2.18%	-2.18%	14.16%	4.89%	5.75%
INTERNATIONAL EQUITY								
<i>Large Cap - Active</i>								
Capital Guardian	41,174,981	3.8%	4.0%	-3.48%	-3.48%	25.36%	-0.39%	0.54%
MSCI EAFE - 50% Hedged				-2.80%	-2.80%	26.98%	-1.27%	-2.14%
<i>Small Cap - Value</i>								
Lazard	5,733,570	0.5%	0.5%	-3.00%	-3.00%	43.30%	N/A	N/A
Citigroup Broad Market Index < \$2BN				-4.20%	-4.20%	47.95%	N/A	N/A
<i>Small Cap - Growth</i>								
Vanguard	5,450,914	0.5%	0.5%	-7.69%	-7.69%	44.68%	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				-4.20%	-4.20%	47.95%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	52,359,464	4.9%	5.0%	-3.86%	-3.86%	29.16%	1.02%	1.39%
MSCI EAFE - 50% Hedged				-2.80%	-2.80%	26.98%	-1.27%	-2.14%
DOMESTIC FIXED INCOME								
<i>Core Bond</i>								
Western Asset	176,359,537	16.5%	14.7%	1.24%	1.24%	2.42%	7.77%	8.10%
Lehman Aggregate				0.99%	0.99%	0.32%	6.35%	6.95%
<i>Index</i>								
Bank of ND	227,651,783	21.2%	20.9%	0.77%	0.77%	0.07%	7.10%	7.25%
Bank of ND CD'S	11,342,866	1.1%	1.1%	0.30%	0.30%	3.53%	4.06%	4.76%
Total Index	238,994,649	22.3%	22.0%	0.74%	0.74%	0.28%	6.76%	7.03%
Lehman Intermediate Gov/Credit (1)				0.84%	0.84%	-0.05%	6.97%	7.25%
<i>BBB Average Quality</i>								
Strong	98,004,910	9.1%	7.3%	1.37%	1.37%	1.18%	N/A	N/A
Lehman US Credit BAA				1.40%	1.40%	1.96%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	513,359,096	47.9%	44.0%	1.03%	1.03%	1.77%	7.58%	7.77%
Lehman Gov/Credit				1.06%	1.06%	-0.72%	6.73%	7.10%
TREASURY INFLATION PROTECTED SECURITIES (TIPS)								
Northern Trust Global Investments	120,757,309	11.3%	11.0%	0.80%	0.80%	N/A	N/A	N/A
Western	121,678,579	11.4%	11.0%	1.03%	1.03%	N/A	N/A	N/A
TOTAL TIPS	242,435,888	22.6%	22.0%	0.91%	0.91%	N/A	N/A	N/A
LB US TIPS Index				1.33%	1.33%	N/A	N/A	N/A
REAL ESTATE								
<i>Manager To Be Determined</i>								
NCREIF Total Index	-	0.0%	6.0%	N/A	N/A	N/A	N/A	N/A
				1.03%	1.03%	N/A	N/A	N/A
CASH EQUIVALENTS								
Bank of ND	33,128,333	3.1%	1.0%	0.13%	0.13%	1.20%	1.72%	3.39%
90 Day T-Bill				0.12%	0.12%	0.98%	1.71%	3.30%
TOTAL WSI	1,071,742,435	100.0%	100.0%	-0.51%	-0.51%	9.62%	5.50%	5.97%
POLICY TARGET BENCHMARK				-0.16%	-0.16%	7.25%	5.18%	5.41%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.